

Fiscal Note

Fiscal Services Division



HF 516 – Election Integrity, Secretary of State (LSB1365HV.2)
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Fiscal Note Version – As Amended by Senate Amendment H-1238
Requested by Representatives Ken Rizer and Mary Mascher

Description

House File 516, as amended by Senate Amendment H-1238, relates to conduct and administration of elections, including voter registration, absentee voting, voter identity verification, signature verification, polling place prohibitions, commissioner duties and certifications, voter misconduct information and reporting, straight party voting, the voting age at primary elections, candidate filing deadlines, and post-election audits. The Bill creates an Electronic Poll Book and Polling Place Technology Revolving Loan Fund, provides penalties, and includes effective date and applicability provisions.

Background

- There are approximately 2.0 million active, registered voters in Iowa. During the 2016 general election, approximately 1.6 million (79.0%) voted. During the 2014 general election, approximately 1.1 million (59.0%) voted. The table below provides additional voting information.

Secretary of State's Office General Election Turnout Report

General Election	Election Day Voters	Absentee Voters	Total Voters	Active/Registered Voters	% Active Voter Turnout	Inactive/Registered Voters	% Total Voter Turnout
2012	901,894	688,057	1,589,951	1,960,086	81.1%	209,693	73.3%
2014	673,126	469,185	1,142,311	1,937,709	59.0%	204,863	53.3%
2016	934,219	647,152	1,581,371	2,000,567	79.0%	172,418	72.8%

NOTE - Active voters and inactive voters for 2012 is as of 11/6/2012; 2014 is as of 11/6/2014; and 2016 is as of 11/8/2016.

- Registered voters can be either active or inactive. An inactive voter is a registered voter that has not voted in two subsequent elections or a voter who no longer lives at the registration address, as determined by the county auditor.
- There are 1,681 voting precincts in Iowa.
- According to the National Conference for State Legislatures (NCSL), 34 states require some form of documented evidence of voter identification at the polls.
- According to the Department of Transportation (DOT), there are 2,002,176 valid driver's licenses and 178,480 nonoperator's State IDs currently issued to Iowans age 18 and over.
- Under current law, most violations of election law under Iowa Code chapters [39](#) through [53](#) are prosecuted under Iowa Code chapter [39A](#). According to the Criminal and Juvenile Justice Planning Division, from FY 2012 to FY 2016, there have been 19 convictions of election misconduct under that Iowa Code chapter.

DIVISION I – GENERAL PROVISIONS

Description

Division I of the Bill relates to conduct and administration of elections. The Bill creates a simple misdemeanor for violations related to voter registration under Iowa Code chapter [48A](#), for which another penalty is not provided.

Assumptions

- It is unknown how many convictions may occur related to the simple misdemeanor created under the Bill.
- Counties will continue to mail voter registration cards to voters who change their names, addresses, party affiliations, etc., as part of an acknowledgment process pursuant to the requirement of the [National Voter Registration Act of 1993](#).
- The Judicial Branch will not require any additional programming costs to provide jury questionnaire information to the Secretary of State's (SOS) Office, as this report can currently be produced through the Iowa Court Information System (ICIS).
- Counties may see an increased amount of provisional ballots in precincts that do not have e-poll books or in instances in which a voter does not have a valid form of ID.
- According to voting system vendors whose equipment is approved in Iowa, ballot rotation of the Republican and Democratic candidates for a general election is not possible with the existing equipment. However, according to the SOS Office in approximately 80.0% of the counties the existing equipment could be re-engineered, if the voting system vendors developed the technology, applied it to the voting systems, and had the application tested by the federal Election Assistance Commission (EAC) voting system standards. This process would take approximately 2-3 years. The cost for this requirement cannot be identified at this time but may be significant. The remaining 20.0% of counties have voting equipment that cannot be modified.

Fiscal Impact

The fiscal impact of the ballot rotation provision under this Division is estimated to cost approximately \$3.5 million to replace voting equipment, but may be much greater if counties are required to re-engineer their voting systems. In addition, there may be increased provisional ballots and envelope costs for some counties due to the requirements of having an ID to vote and for same-day registrants in precincts where e-poll books are currently not in use; however, those costs cannot be determined at this time and the number of counties impacted is unknown.

DIVISION II – VOTER IDENTITY AND SIGNATURE VERIFICATION

Description

Division II of the Bill requires election officials to verify a voter's identity before furnishing a ballot or absentee ballot to the voter. A voter is required to present the election official with an Iowa driver's license, an Iowa nonoperator's identification card, a U.S. passport, a U.S. military card, or a veteran's identification card. The SOS Office is required to provide a voter identification card to an active registered voter that does not have one of the five forms of identification.

Assumptions

- The DOT estimates approximately 40 hours of information technology (IT) programming will be required to provide driver's license and nonoperator ID information to the SOS Office. The programming time would be handled within existing resources and the cost is anticipated to be minimal (one-time cost of \$1,137).
- The SOS Office estimates approximately \$65,000 in one-time costs to provide programming updates to the IVoters System (the statewide voter registration system) including assigning the four-digit voter verification number, importing driver's license numbers into IVoters, and conducting ongoing matches against the DOT database (592 hours x \$110/hr.).

- Initial Voter Identification Card Costs
 - According to the SOS Office, there are approximately 85,000 registered voters who do not have a current driver's license or nonoperator's ID card issued by the DOT that will receive a voter identification card from the SOS Office.
 - The SOS Office will use a competitive bidding process to produce, print, and mail the cards. Depending on the card material (cardboard or plastic) and security features, the voter ID card costs are estimated to range between \$1 and \$4 (\$85,000 and \$340,000).
- Ongoing Voter Identification Card Costs
 - In addition, there are approximately 11,000 voters, including both new voters registering to vote in Iowa and voters who move to a different county within Iowa, that will require voter identification cards mailed to them by the SOS Office on an ongoing basis. Depending on the cost of the voter identification card, the costs range from \$11,000 to \$44,000 annually.
 - The SOS Office will mail voter identification cards weekly to newly registered voters.
- For FY 2018, the SOS Office will mail the one-time initial batch of 85,000 cards to active, registered voters without a valid ID, as well as 11,000 cards to voters moving into the State, or moving to a new county within the State.
- County-issued voter acknowledgement cards will not change from the current procedures.
- Implementation of this Division of the Bill is contingent on an appropriation from the General Assembly.
- Additional details related to the voter identification card will be established through the administrative rules process.

Fiscal Impact

The estimated fiscal impact of the voter identification card in FY 2018 ranges from approximately \$161,000 to \$449,000 and for FY 2019 ranges from approximately \$11,000 to \$44,000.

DIVISION III – POLLING PLACES

Description

Division III of the Bill creates an Electronic Poll Book and Polling Place Technology Revolving Loan Fund under the control of the SOS Office. The Fund is to be used to loan money, at no interest, to county commissioners to purchase e-poll books or to update e-poll books and polling place technology. The SOS Office may spend up to 30.0% of the moneys in this Fund to administer polling place technology. The moneys in the Fund are permitted to carry forward.

Assumptions

- According to a survey of voting precincts conducted by the SOS Office in January 2017, there are approximately 600 precincts that do not have e-poll books.
- The average cost of one set of e-poll books equipment is approximately \$875. According to the SOS Office, as a best practice, most counties utilize two sets of e-poll books in each precinct. Some precincts may require three sets of e-poll books due to voter turnout.
- If all 600 precincts purchased one e-poll book, the cost would be \$525,000. If each precinct purchased two e-poll books, the cost would be approximately \$1.1 million.
- The SOS Office will adopt administrative rules to implement this Division of the Bill.

Fiscal Impact

The Bill does not mandate that the precincts use e-poll books, but should the precincts decide to purchase e-poll books, there may be a significant cost to the counties. The Bill establishes a revolving loan fund under the control of the SOS Office, but does not provide an appropriation to the Fund.

DIVISION IV – ELECTION CERTIFICATION OVERSIGHT AND AUDITS

Description

Division IV requires the SOS Office to determine the number of counties and precincts to be audited and to select precincts to be audited in a county by lot. The audit is required to be a hand count of ballots for the Office of President of the United States or Governor, as the case may be. The Bill specifies auditing procedures and reporting requirements.

Assumption

- The SOS Office will adopt administrative rules to implement this section of the Bill.

Fiscal Impact

Depending on the size of the precinct and the size of the county, the post-election audit may require some additional overtime hours for county auditor staff; however, no specific information is available at this time.

DIVISION V – VOTER MISCONDUCT INFORMATION AND REPORTING

Description

Division V outlines county attorney responsibilities for reviewing and reporting voter misconduct.

Fiscal Impact

This Division is not anticipated to have a significant fiscal impact.

DIVISION VI – STRAIGHT PARTY VOTING

Description

Division VI eliminates straight party voting in Iowa.

Fiscal Impact

Eliminating straight party voting may cause longer lines at the polls and may require poll workers to work additional hours; however, any impact cannot be determined at this time.

DIVISION VII – PUBLIC EDUCATION

Description

Division VII requires the SOS Office, in consultation with the county commissions of elections and other relevant stakeholder groups, to develop a comprehensive statewide public education campaign to inform Iowa voters of the election-day identification requirements in the Bill.

Assumptions

- Approximately 5.0% of the SOS General Fund appropriation (\$70,000) is currently budgeted for communications, advertising, publicity, and outside services for elections and voter registration. The SOS Office will incorporate educational information into its ongoing voter engagement projects; however, depending on the FY 2018 General Fund appropriation to the SOS Office, additional resources may be required.
- The SOS Office plans to launch a social media campaign utilizing Facebook, YouTube, and Twitter. The SOS Office also plans to promote the initiative at its booth at the State Fair and to develop educational materials that civic and voter advocacy groups can use to help educate their members and constituents. The SOS Office will also work with all 99 county auditors to reinforce outreach at the local level.
- Radio and television public service announcements may require additional funds.

- The SOS Office has an Iowa Code chapter 28E agreement with the Iowa State Association of County Auditors to provide approximately 40 hours of annual classroom training for all elections staff. Counties are also required to offer no less than two hours of training to precinct officials. The SOS Office plans to provide materials to be used at both of these trainings.

Fiscal Impact

In addition to current resources, the costs to the SOS Office to provide additional voter outreach are estimated to be approximately \$50,000 (see the table below); however, if more traditional forms of media are used, the costs may be considerably higher.

SOS Office Education and Outreach Budget	
Video and Printed Material for Precinct Workers and County Election Officials	\$ 5,000
Social Media and E-Newsletter	10,000
Develop Educational Materials to be Used by Organizations to Educate Members and Constituents	15,000
Production and Distribution of Educational Material Components	20,000
Total	<u>\$ 50,000</u>

If the SOS Office determines that an additional staff person is necessary for public education and outreach, it may require an additional \$100,000. Also, depending on the FY 2018 General Fund appropriation to the SOS Office, additional resources may be required.

DIVISION VIII – ABSENTEE VOTING PERIOD

Description

Division VIII shortens absentee voting time from 40 to 29 days. This Division applies to elections held on or after January 1, 2018.

Assumptions

- The number of absentee voters is unlikely to decrease.
- Counties will be required to do more in a shorter time period.
- Counties may be required to hire additional temporary labor to help meet absentee ballot demand. Counties may also need to allow permanent employees to work more hours, resulting in comp or overtime hours.

Fiscal Impact

The fiscal impact of shortening the absentee ballot voting period may include increased county employee overtime expenses; however, the costs cannot be determined at this time.

DIVISION IX – VOTING AGE AT PRIMARY ELECTIONS

Description

Division IX permits individuals 17 years of age to register to vote and to vote in the primary if they will be 18 years of age at the general election. This Division takes effect January 1, 2018.

Assumptions

- Arrikan Inc., the IVoters System vendor, will be required to make programming changes, estimated at 1,721 hours at a rate of \$110 per hour (\$189,310).
- The SOS voter registration form will need to be updated; however, the cost for this is estimated to be minimal.
- County auditors and volunteer organizations that distribute voter registration forms would be allowed to use up existing supplies of old forms.

Fiscal Impact

The fiscal impact of this Division includes one-time programming costs totaling approximately \$189,000.

DIVISION X – CANDIDATE FILING DEADLINES**Description**

Division X changes the general election candidate filing deadlines.

Fiscal Impact

This Division is not anticipated to have a significant fiscal impact.

Minority Impact

The [U.S. Census](#) permits people to identify their race and ethnicity. The table below displays the latest census estimates as of July 1, 2015. The population estimate for Iowa was 3.1 million. In addition, approximately 11.9% of [Iowa's population](#) had at least one disability in 2015.

	Total Population	Male	Female	Caucasian	African American	American Indian/Alaska Native	Asian	Hawaiian/ Other Pacific Islander	Hispanic	Two or More Races
National Census	321.4 million	49.2%	50.8%	77.1%	13.3%	1.2%	5.6%	0.2%	17.6%	2.6%
Iowa Census	3.1 million	49.7%	50.3%	91.8%	3.5%	0.5%	2.4%	0.1%	5.7%	1.8%

The table below applies the census estimates to the total registered voters in Iowa. In addition, based on the census data, approximately 253,306 of Iowa's total registered voters may have at least one disability.

Race and Ethnicity Census Estimates Applied to the Number of Registered Voters

Total Registered Voters as of 3/3/2017	Male	Female	Caucasian	African American	American Indian/Alaska Native	Asian	Hawaiian/Other Pacific Islander	Hispanic	Two or More Races
2,128,623	1,057,926	1,070,697	1,954,076	74,502	10,643	51,087	2,129	121,332	38,315

Based on the current available information, the minority impact of HF 516 cannot be determined at this time.

Summary of Fiscal Impact

Secretary of State – House File 516, as amended by H-1238, will increase costs to the SOS Office in FY 2018 between \$400,000 and \$788,000. Ongoing costs for FY 2019 and each year thereafter range from \$11,000 to \$44,000 per year. In addition, the section implementing the voter identification cards is contingent upon an appropriation from the General Assembly.

Estimated Costs to the Secretary of State's Office					
		FY 2018		FY 2019	
		Est. Low	Est. High	Est. Low	Est. High
Division II	Voter Identification Card IVoters Programming Costs	\$ 65,000	\$ 65,000	\$ 0	\$ 0
Division II	SOS Office Initial Voter Identification Card Costs	85,000	340,000	0	0
Division II	SOS Office Ongoing Voter Identification Card Costs	11,000	44,000	11,000	44,000
Division VII	Public Education	50,000	150,000	0	0
Division IX	Voting Age at Primary Elections IVoters Programming Costs	189,000	189,000	0	0
		<u>\$400,000</u>	<u>\$788,000</u>	<u>\$ 11,000</u>	<u>\$ 44,000</u>

Estimated Costs to Local Governments

- The ballot rotation provision is estimated to cost approximately \$3.5 million to replace voting equipment, but may be much greater if counties are required to re-engineer their voting systems. (Division I)
- There may be increased costs for provisional ballots and envelopes for some counties due to the requirements of having an ID to vote and for same-day registrants in precincts where e-poll books are currently not in use; however, those costs cannot be determined at this time and the number of counties impacted is unknown. (Division I)
- The Bill does not mandate that the precincts use e-poll books, but should the precincts decide to purchase e-poll books, there may be a significant cost to the counties (\$1,750 for two e-poll books per precinct). The Bill establishes a revolving loan fund under the control of the SOS Office, but does not provide an appropriation to the Fund. (Division III)
- Depending on the size of the precinct and the size of the county, the post-election audit may require some additional overtime hours for county auditor staff; however, no specific information is available at this time. (Division IV)
- Eliminating straight party voting may cause longer lines at polls and poll workers may work additional hours; however, any impact cannot be determined at this time. (Division IV)
- Shortening the absentee voting period may increase county auditor staff overtime expenses; however, the costs cannot be determined at this time. (Division VIII)

Sources

Secretary of State's Office
Department of Human Rights, Division of Criminal and Juvenile Justice Planning
Department of Transportation
Iowa Association of Counties
Judicial Branch

/s/ Holly M. Lyons

April 5, 2017

The fiscal note for this Bill was prepared pursuant to Joint Rule 17 and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.